

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-22935-A		6. SURFACE: State	
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A			
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT			
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE LP				9. WELL NAME and NUMBER: NBU 922-31GT			
3. ADDRESS OF OPERATOR: PO BOX 173779 CITY DENVER STATE CO ZIP 80217-3779				PHONE NUMBER: (720) 929-6666		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1664' FNL, 1349' FEL AT PROPOSED PRODUCING ZONE: SAME				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 31 9S 22E S			
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 54 MILES FROM VERNAL, UTAH				12. COUNTY: UINTAH		13. STATE: UTAH	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1349'		16. NUMBER OF ACRES IN LEASE: 160		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40			
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 20'		19. PROPOSED DEPTH: 9,403		20. BOND DESCRIPTION: RLB0005237			
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5045.2		22. APPROXIMATE DATE WORK WILL START:		23. ESTIMATED DURATION: 10 DAYS			

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4	9 5/8	J-55	36 LTC	2,350	PREMIUM +2%CaCl	215 SK	1.18 15.60
					20 GAS SODIUM S	100	1018 15.6
7 7/8	4 1/2	1-80	11.6	9,403	PREMIUM LITE II+3%	450	3.38 11.6
					50/50 POZ/G	1490	1.31 14.3

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) RALEEN WHITE TITLE SR. REGULATORY ANALYST

SIGNATURE Raleen White DATE 6/3/2008

(This space for State use only)

API NUMBER ASSIGNED: 43047-40134

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL:

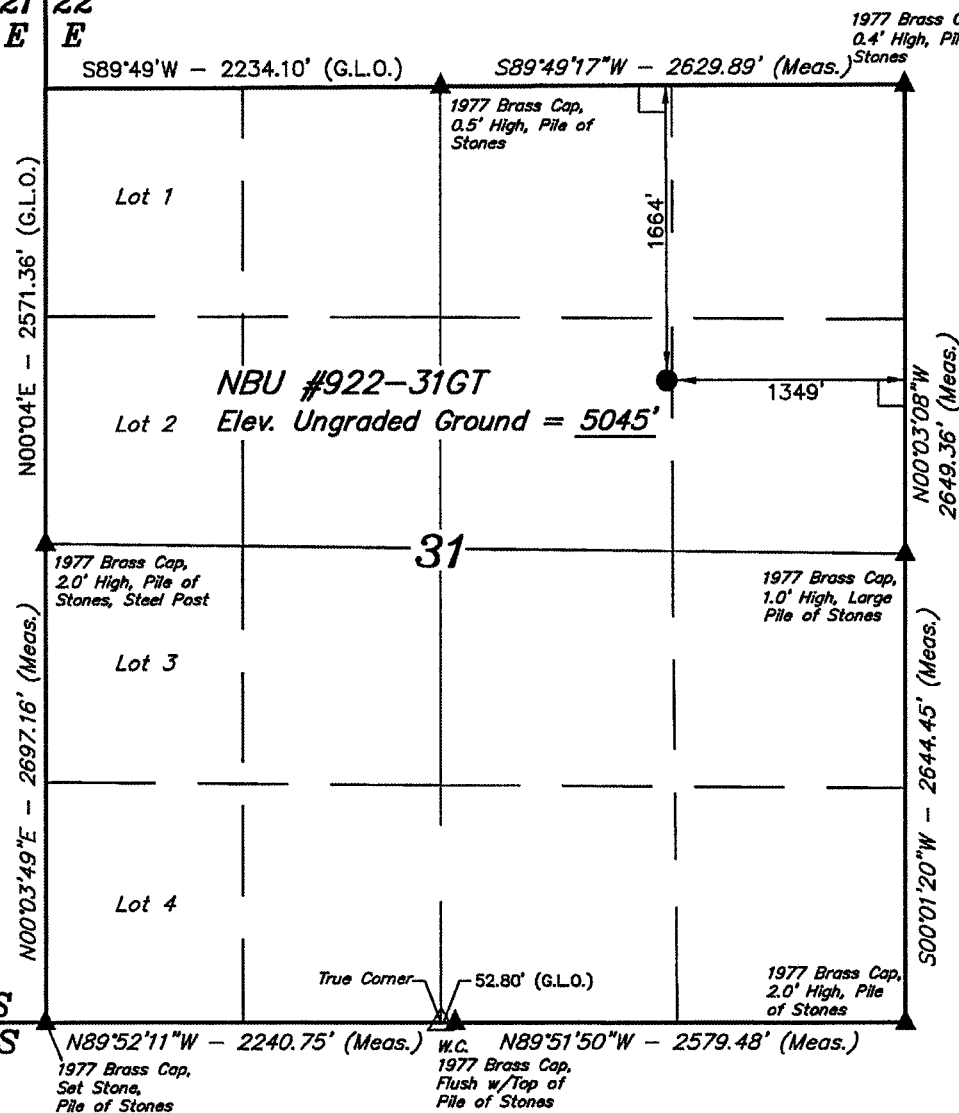
Date: 09-11-08
(See Instructions on Reverse Side)
By: [Signature]

RECEIVED

JUN 05 2008

DIV. OF OIL, GAS & MINING

R 21
E E T9S, R22E, S.L.B.&M.



Kerr-McGee Oil & Gas Onshore LP

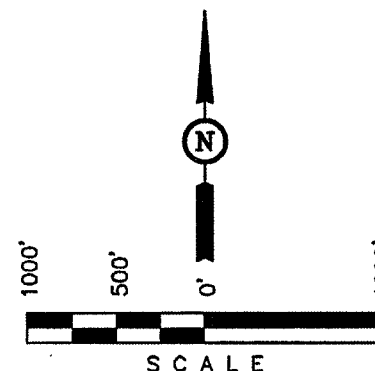
Well location, NBU #922-31GT, located as shown in the SW 1/4 NE 1/4 of Section 31, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

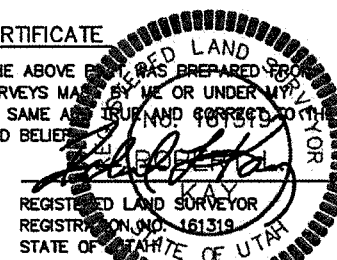
BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE MAP WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 39°59'42.72" (39.995200)
LONGITUDE = 109°28'41.14" (109.478094)
(NAD 27)
LATITUDE = 39°59'42.85" (39.995236)
LONGITUDE = 109°28'38.67" (109.477408)

SCALE 1" = 1000'	DATE SURVEYED: 5-13-08	DATE DRAWN: 5-20-08
PARTY D.K. C.K. C.P.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE Kerr McGee Oil & Gas Onshore LP	

**NBU 922-31GT
SWNE, SECTION 31, T9S, R22E
UINTAH COUNTY, UTAH
ML-22935-A**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1339'
Birds Nest	1672'
Mahogany	2040'
Wasatch	4593'
Mesaverde	8084'
TD	9403'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1339'
Water	Birds Nest	1672'
Water	Mahogany	2040'
Gas	Wasatch	4593'
Gas	Mesaverde	8084'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. Abnormal Conditions:

Maximum anticipated bottomhole pressure calculated at 9403' TD, approximately equals 5830 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3761 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at **0.22** psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	June 3, 2008	
WELL NAME	NBu 922-31GT		TD	9,403'	MD/TVD
FIELD	Natural Buttes	COUNTY	Uintah	STATE	Utah
				ELEVATION	5,045' GL KB 5,060'
SURFACE LOCATION	1664' FNL, 1349' FEL				BHL Straight Hole
NAD 83	Latitude: 39.995200	Longitude: 109.478094			
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: BLM (SURF & MINERALS), UDOGM, Tri-County Health Dept.				

GEOLOGICAL FORMATION			MECHANICAL		
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 36#, J-55, LTC	Air mist
Catch water sample, if possible, from 0 to 4,593'					
	Green River @	1,339'			
	Top of Birds Nest Water @	1,672'			
	Preset f/ GL @				
	2,350' MD				
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
	Mahogany @	2,040'			
Mud logging program TBD					
Open hole logging program f/ TD - surf csg					
	Wasatch @	4,593'	7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-11.6 ppg
	Mverde @	7,182'			
	MVU2 @	8,084'			
	MVL1 @	8,690'			
	TD @	9,403'			Max anticipated Mud required 11.6 ppg



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				3520	2020	453000
SURFACE	9-5/8"	0 to 2,350'	36.00	J-55	LTC	0.98	1.84	6.11
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9403	11.60	I-80	LTC	2.16	1.12	2.11

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.6 ppg)

.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoym.Fact. of water)

MASP 3603 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	250	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	100		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		NOTE: If well will circulate water to surface, option 2 will be utilized					
Option 2	LEAD	2000	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	230	35%	11.60	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,093'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	450	60%	11.60	3.38
	TAIL	5,310'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1490	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

DATE: _____

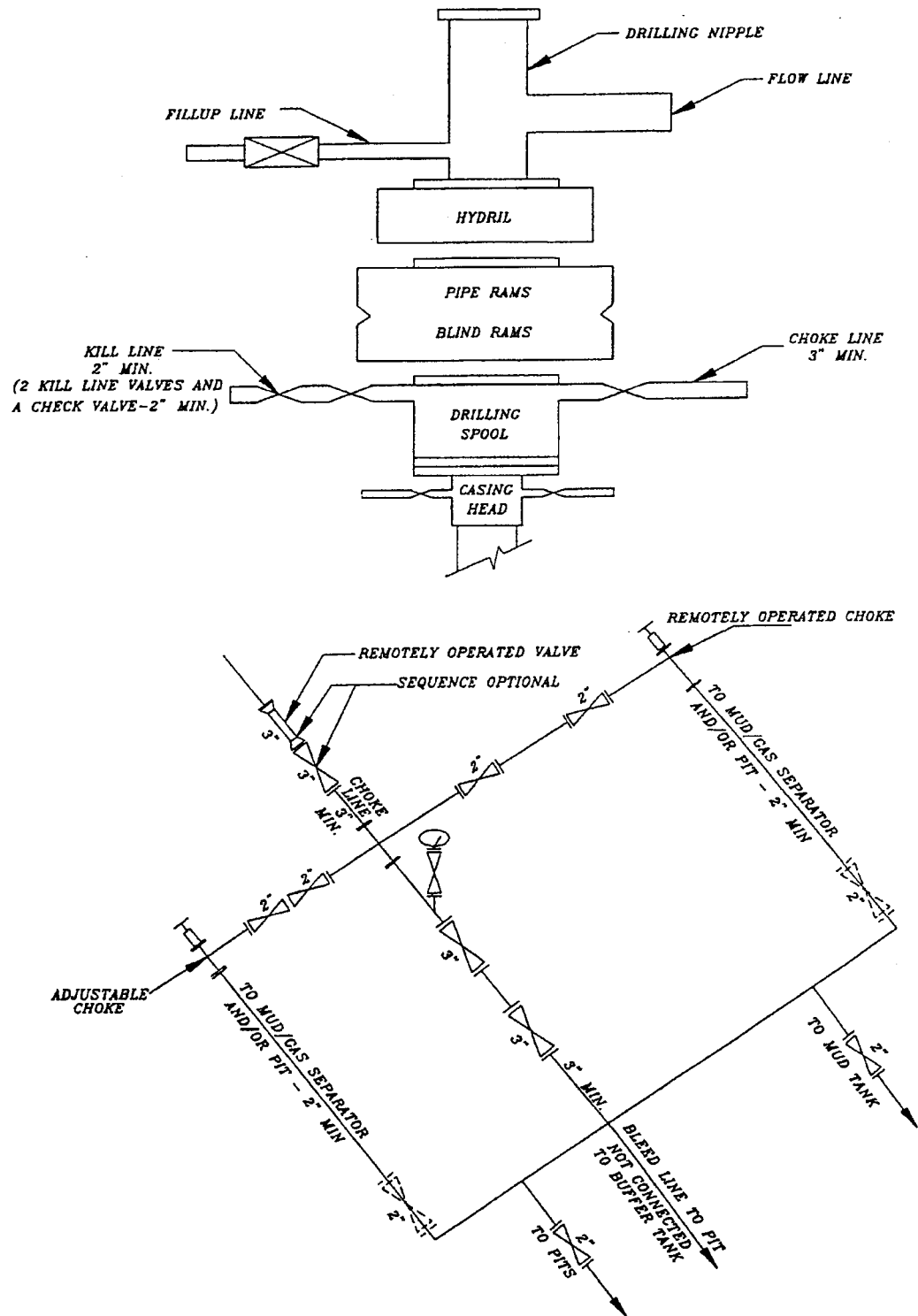
DRILLING SUPERINTENDENT:

Randy Bayne

dhd 922-31GT

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 922-31GT
SWNE SEC 31-T9S-R22E
Uintah County, UT
ML-22935-A

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

No new access road is proposed. Refer to Topo Map B for the location of existing access road.

The upgraded portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or

installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

No new pipeline is proposed for this location.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E, Pipeline Facility Sec. 36, T9S, R20E, Goat Pasture Evaporation Pond SW/4 Sec. 16, T10S, R22E, Bonanza Evaporation Pond Sec. 2, T10S, R23E

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface and Mineral Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been completed and is attached.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it Within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certification:

Raleen White
Sr. Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6666

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

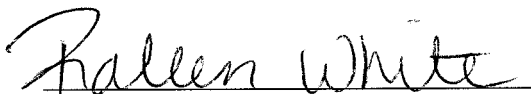
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005236.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Raleen White

Date 6-3-2008

Kerr-McGee Oil & Gas Onshore LP
NBU #922-31GT
SECTION 31, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.0 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #922-31GT

LOCATED IN UTAH COUNTY, UTAH
SECTION 31, T9S, R22E, S.L.B.&M.

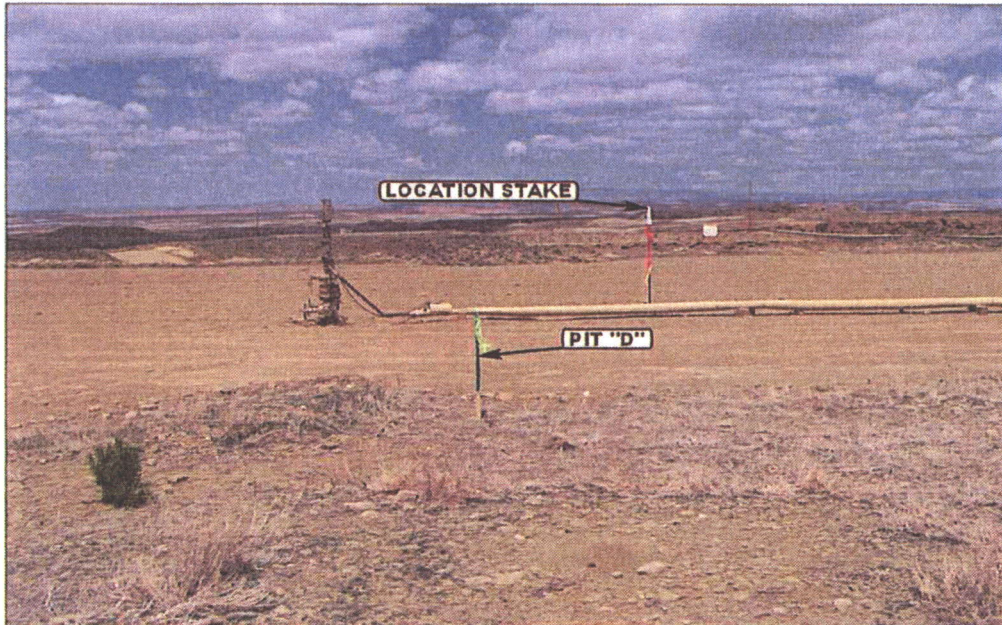


PHOTO: VIEW FROM PIT "D" TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

**U
E
L
S**

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

05 20 08
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K. | DRAWN BY: C.P. | REVISED: 00-00-00

Kerr-McGee Oil & Gas Onshore LP

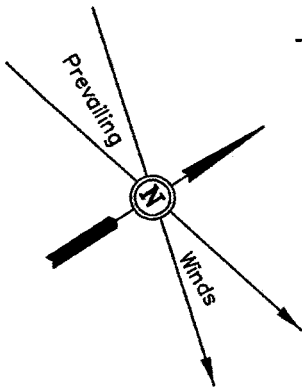
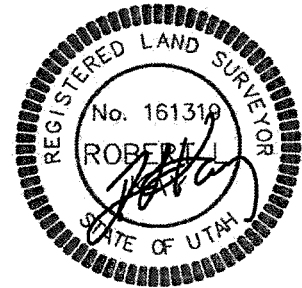
FIGURE #1

LOCATION LAYOUT FOR

NBU 922-31GT

SECTION 31, T9S, R22E, S.L.B.&M.

1664' FNL 1349' FEL



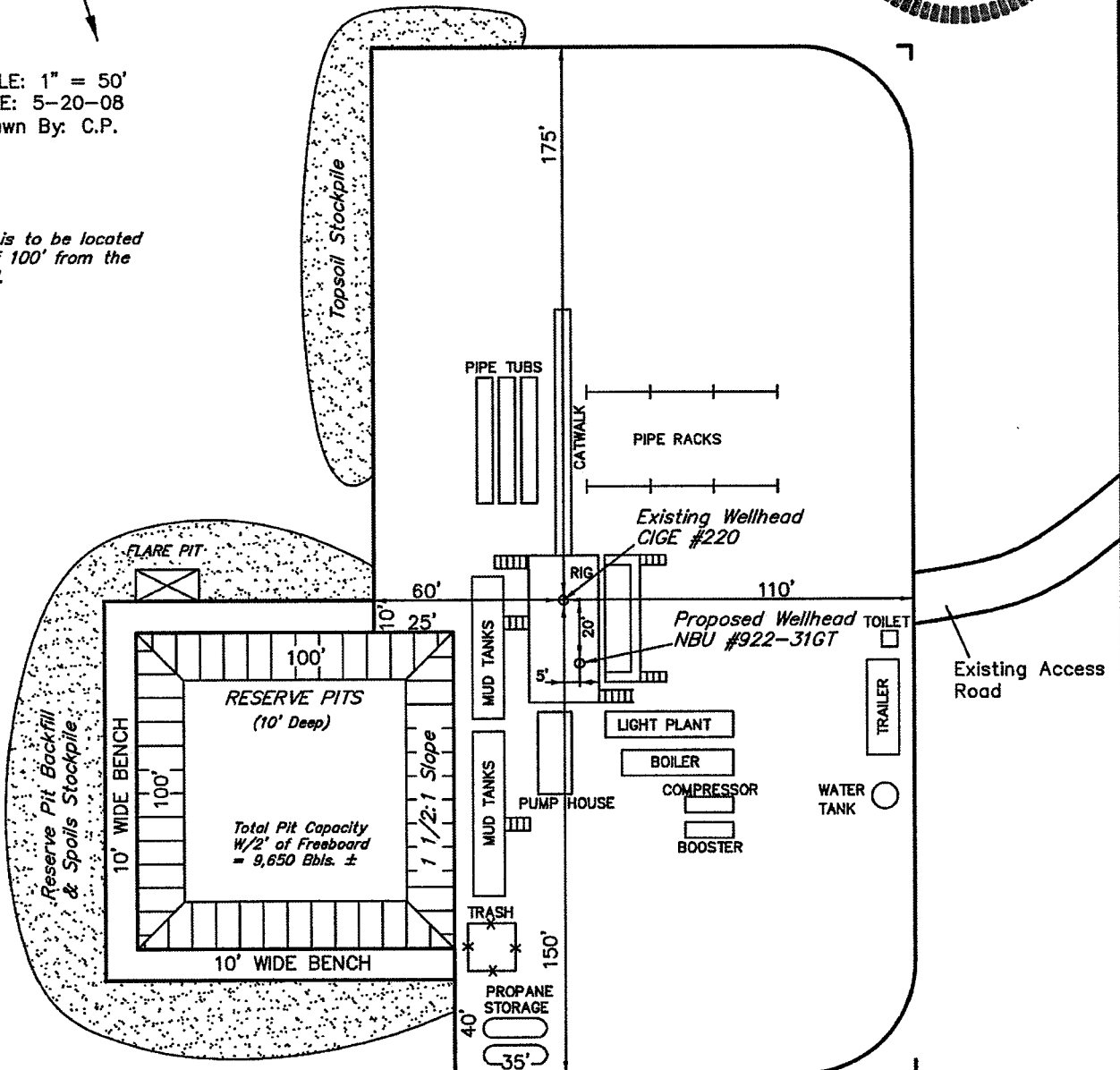
SCALE: 1" = 50'

DATE: 5-20-08

Drawn By: C.P.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 5045.2'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (435) 788-1017



LEGEND:

● PROPOSED LOCATION

Kerr-McGee Oil & Gas Onshore LP

NBU #922-31GT

SECTION 31, T9S, R22E, S.L.B.&M.

1664' FNL 1349' FEL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 • FAX (435) 789-1813



**TOPOGRAPHIC
MAP**

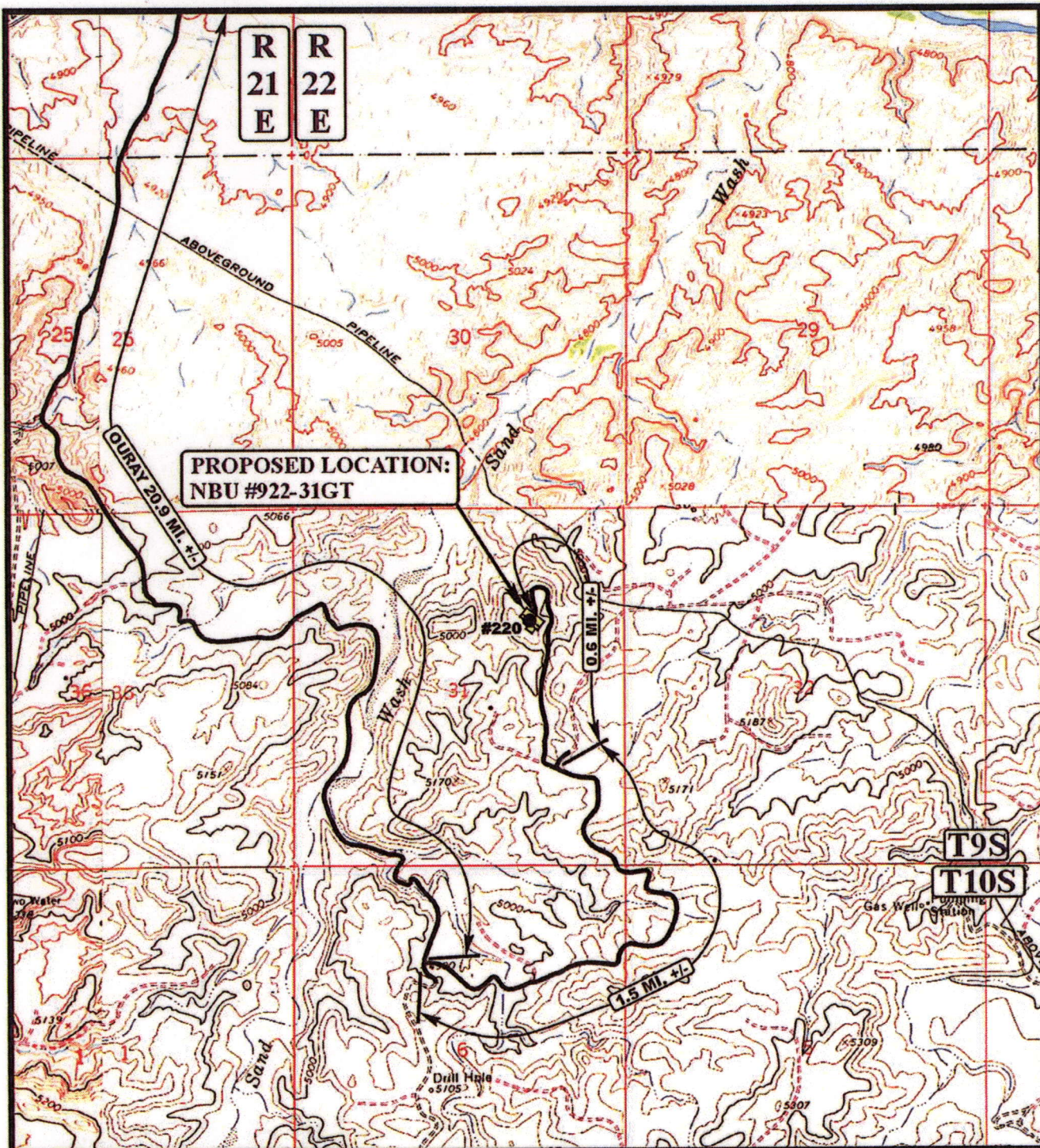
05 20 08
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00





LEGEND:

EXISTING ROAD

Kerr-McGee Oil & Gas Onshore LP

NBU #922-31GT

SECTION 31, T9S, R22E, S.L.B.&M.

1664' FNL 1349' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



**TOPOGRAPHIC
MAP**

05 20 08
MONTH DAY YEAR

**B
TOPO**

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/05/2008

API NO. ASSIGNED: 43-047-40134

WELL NAME: NBU 922-31GT

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

CONTACT: RALEEN WHITE

PHONE NUMBER: 720-929-6666

PROPOSED LOCATION:

SWNE 31 090S 220E

SURFACE: 1664 FNL 1349 FEL

BOTTOM: 1664 FNL 1349 FEL

COUNTY: UINTAH

LATITUDE: 39.99528 LONGITUDE: -109.4773

UTM SURF EASTINGS: 629991 NORTHINGS: 4428134

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review

Initials

Date

Engineering

DGD

9/11/08

Geology

Surface

LEASE TYPE: 3 - State

LEASE NUMBER: ML-22935-A

SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 22013542)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit
(No. 43-8496)

☒ RDCC Review (Y/N)
(Date: _____)

N/A Fee Surf Agreement (Y/N)

N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

_____ R649-2-3.

Unit: _____

_____ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

_____ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 173-14

Eff Date: 12-2-1999

Siting: 460' to 1/2 way E. Unknown. Tree

_____ R649-3-11. Directional Drill

COMMENTS:

Need Presite (06-19-08)

STIPULATIONS:

1- STATEMENT OF BASIS

2- OIL SHALE

3- Surface Csg Cont Stop

Application for Permit to Drill

Statement of Basis

9/3/2008

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
813	43-047-40134-00-00		GW	S	No
Operator	KERR-MCGEE OIL & GAS ONSHORE, L.P. Surface Owner-APD				
Well Name	NBU 922-31GT	Unit			
Field	NATURAL BUTTES	Type of Work			
Location	SWNE 31 9S 22E S 1664 FNL 1349 FEL GPS Coord (UTM) 629991E 4428134N				

Geologic Statement of Basis

Kerr McGee proposes to set 2,350' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,000'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of section 31. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought to above the base of the moderately saline groundwater in order to isolate it from fresher waters uphole.

Brad Hill

8/26/2008

APD Evaluator

Date / Time

Surface Statement of Basis

The proposed NBU 922-31GT gas well is on the existing location of the CIGE 220 gas well. This well is planned to be plugged. A reserve pit 100' x 100' x 10' deep will be re-dug in the southwest corner of the location. The existing pad is small in size but appears to be stable and should present no problems for drilling and operating the proposed well.

Floyd Bartlett

6/19/2008

Onsite Evaluator

Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.
Well Name NBU 922-31GT
API Number 43-047-40134-0 **APD No** 813 **Field/Unit** NATURAL BUTTES
Location: 1/4,1/4 SWNE **Sec** 31 **Tw** 9S **Rng** 22E 1664 FNL 1349 FEL
GPS Coord (UTM) 629979 4428125 **Surface Owner**

Participants

Floyd Bartlett and David Hackford (DOGM), Jim Davis (SITLA), Raleen White, Clay Einerson and Tony Kzneck (Kerr McGee) and David Kay (Uintah Engineering and Land Surveying).

Regional/Local Setting & Topography

The proposed NBU 922-31GT gas well is on the existing location of the CIGE 220 gas well. This well is planned to be plugged. A reserve pit 100' x 100' x 10' deep will be re-dug in the southwest corner of the location. The existing pad is small in size but appears to be stable and should present no problems for drilling and operating the proposed well.

Surface Use Plan

Current Surface Use

Existing Well Pad

New Road

Miles	Well Pad		Src Const Material	Surface Formation
	Width	Length		

Ancillary Facilities

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland

Flora / Fauna

Existing Well Pad

Soil Type and Characteristics

Erosion Issues

Sedimentation Issues

Site Stability Issues

Drainage Diversion Required

Berm Required?

Erosion Sedimentation Control Required?

Paleo Survey Run?	Paleo Potential Observed?	Cultural Survey Run?	Cultural Resources?
--------------------------	----------------------------------	-----------------------------	----------------------------

Reserve Pit

Site-Specific Factors

Distance to Groundwater (feet)	>200
Distance to Surface Water (feet)	>1000
Dist. Nearest Municipal Well (ft)	>5280
Distance to Other Wells (feet)	300 to 1320
Native Soil Type	Mod permeability
Fluid Type	Fresh Water
Drill Cuttings	Normal Rock
Annual Precipitation (inches)	<10
Affected Populations	<10
Presence Nearby Utility Conduits	Not Present

Site Ranking

0
0
0
10
10
5
0
0
0
0

Final Score

25

1

Sensitivity Level

Characteristics / Requirements

A reserve pit 100' x 100' x 10' deep will be re-dug in the southwest corner of the location.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

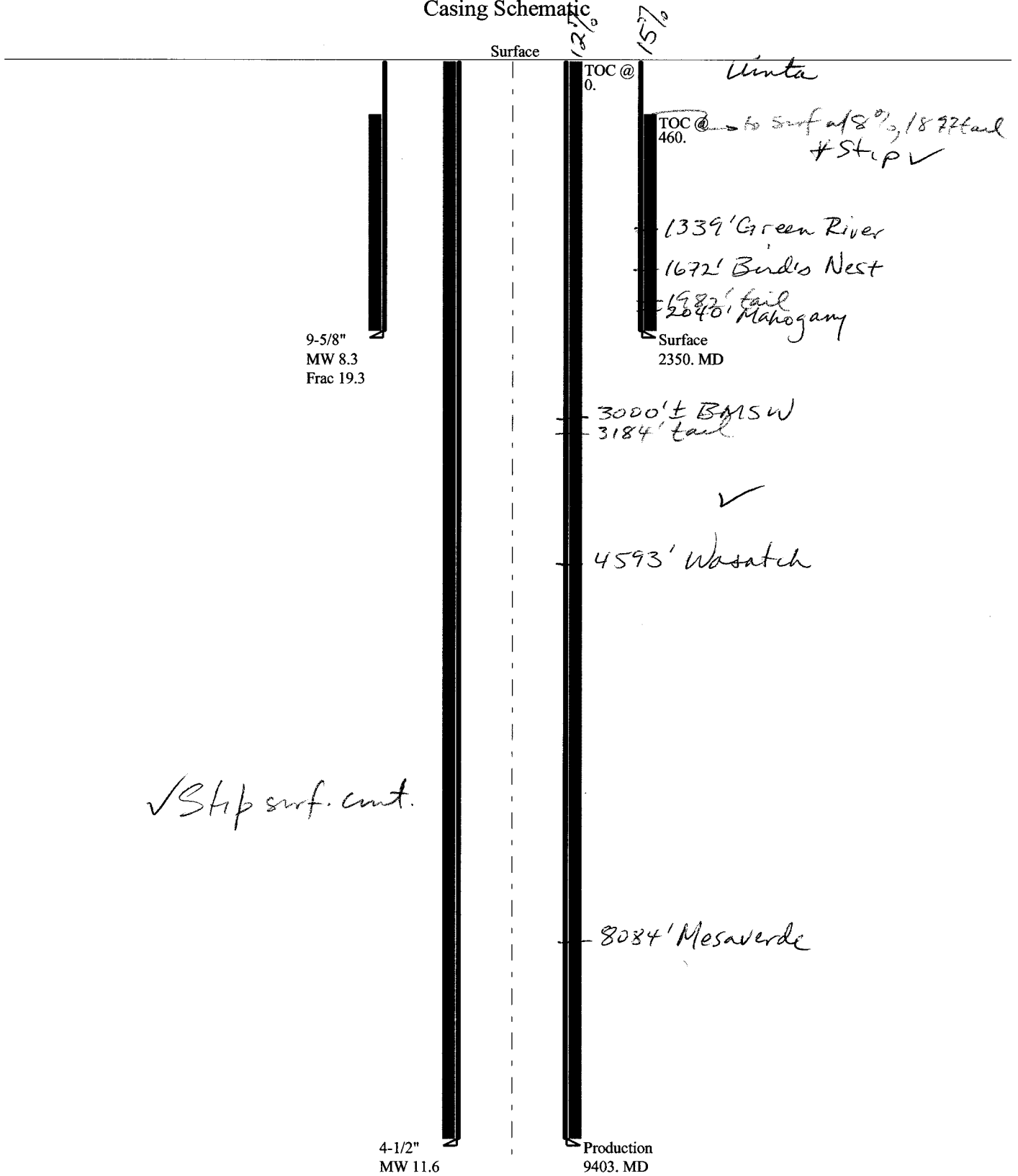
Other Observations / Comments

Floyd Bartlett
Evaluator

6/19/2008
Date / Time

43047401340000 NBU 922-31GT

Casing Schematic



Well name:	43047401340000 NBU 922-31GT	
Operator:	Kerr McGee Oil & Gas Onshore L.P.	
String type:	Surface	Project ID: 43-047-40134-0000
Location:	Uintah County, Utah	

Design parameters:
Collapse

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 108 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: 460 ft

Burst

Max anticipated surface pressure: 2,068 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,350 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 2,060 ft

Completion type is subs
Non-directional string.

Re subsequent strings:

Next setting depth: 9,403 ft
Next mud weight: 11.600 ppg
Next setting BHP: 5,666 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,350 ft
Injection pressure: 2,350 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2350	9.625	36.00	J-55	LT&C	2350	2350	8.796	1020.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1017	2020	1.986	2350	3520	1.50	74	453	6.11 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: September 4, 2008
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2350 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

43047401340000 NBU 922-31GTOperator: **Kerr McGee Oil & Gas Onshore L.P.**

String type: Production

Project ID:

43-047-40134-0000

Location: Uintah County, Utah

Design parameters:**Collapse**

Mud weight: 11.600 ppg

Internal fluid density: 2.330 ppg

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 75 °F

Bottom hole temperature: 207 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 1,500 ft

Cement top: Surface

Burst

Max anticipated surface

pressure: 3,598 psi

Internal gradient: 0.220 psi/ft

Calculated BHP 5,666 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Completion type is subs

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 7,773 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft ³)
1	9403	4.5	11.60	I-80	LT&C	9403	9403	3.875	820.6
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4528	6360	1.405	5666	7780	1.37	90	212	2.35 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & MineralsPhone: (801) 538-5357
FAX: (801) 359-3940Date: September 4, 2008
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 9403 ft, a mud weight of 11.6 ppg. An internal gradient of .121 psi/ft was used for collapse from TD. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

BOPE REVIEW

Kerr-McGee NBU 922-31GT API 43-047-40134-0000

INPUT

Well Name

Casing Size (")

Setting Depth (TVD)

Previous Shoe Setting Depth (TVD)

Max Mud Weight (ppg)

BOPE Proposed (psi)

Casing Internal Yield (psi)

Operators Max Anticipated Pressure (psi)

Kerr-McGee NBU 922-31GT API 43-047-40134-0000			
String 1	String 2		
9 5/8	4 1/2		
2350	9403		
40	2350		
8.4	11.6		
500	5000		
3520	7780		
3761	7.7 ppg		

Calculations

		String 1	9 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =	1026		
				BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	744	NO	Air Drill to surface shoe with diverter
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	509	NO	500' below Birds Nest - NO expected pressures
				*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	518	NO	
Required Casing/BOPE Test Pressure		2350	psi	
*Max Pressure Allowed @ Previous Casing Shoe =		40	psi	*Assumes 1psi/ft frac gradient

Calculations

		String 2	4 1/2 "	
Max BHP [psi]	.052*Setting Depth*MW =	5672		
				BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	4544	YES	✓
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	3603	YES	
				*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	4120	NO	Expected ± 2200 psi O.K.
Required Casing/BOPE Test Pressure		5000	psi	
*Max Pressure Allowed @ Previous Casing Shoe =		2350	psi	*Assumes 1psi/ft frac gradient



June 9, 2008

Utah Division of Oil, Gas & Mining
1594 W. North Temple, STE 1210
Salt Lake City, UT 84114-5801

Attention: Diana Mason

RE: Twin Locations

Dear Diana:

Per our email correspondences on June 6, 2008 Kerr-McGee Oil & Gas Onshore LP is submitting this letter regarding our twin program. We have several wells that plan to twin in the next few years. Our plan is to drill a second well bore to the Mesaverde formation. The currently producing wells are producing from the Wasatch formation and many will be plugged prior to drilling the Mesaverde well. Below is a current list of locations that we plan to drill a twin Mesaverde well.

✓Wissiu 820-36PT	Twin to the Wissiu 36-114	NBU 1022-3FT	Twin to the NBU 286
✓Federal 821-33MT	Twin to the Federal 33-93	NBU 1022-5BT	Twin to the NBU 140
NBU 920-15FT	Twin to the CIGE 22	NBU 1022-5IT	Twin to the NBU 338
NBU 921-26IT	Twin to the NBU 68-N2	NBU 1022-8IT	Twin to the CIGE 250
NBU 921-30FT	Twin to the NBU 261	NBU 1022-9AT	Twin to the NBU 291
NBU 921-31BT	Twin to the NBU 378	NBU 1022-10HT	Twin to the NBU 293
NBU 921-35AT	Twin to the CIGE 54D	NBU 1022-10FT	Twin to the NBU 248
NBU 922-31CT	Twin to the NBU 354	✓NBU 921-03BT	Twin to SHOYO 3-162
✓NBU 922-31GT	Twin to the CIGE 220	✓NBU 921-20IT	Twin to CIGE 70
NBU 922-32O1T	Twin to the NBU 404	NBU 921-27MT	Twin to NBU 395
NBU 922-32F3T	Twin to the CIGE 106D	NBU 921-27OT	Twin to NBU 305
NBU 922-35IT	Twin to the CIGE 118	✓NBU 921-15MT	Twin to NBU 191
NBU 922-36NT	Twin to the CIGE 147	NBU 921-27HT	Twin to NBU 109
✓NBU 1022-1CT	Twin to the CIGE 105D	NBU 921-27KT	Twin to NBU 83J
NBU 921-27LT	Twin to NBU 214		

RECEIVED

JUN 11 2008



NBU 1022-4N4T	Twin to NBU 148
NBU 922-31L4T	Twin to NBU 41J
NBU 1022-4L1T	Twin to NBU 147
NBU 1022-9F4T	Twin to NBU 150
NBU 1022-4P1T	Twin to NBU 208
NBU 1022-9D1T	Twin to NBU 151
NBU 1022-3G3T	Twin to NBU 185
NBU 1022-10A2T	Twin to NBU 117
NBU 921-11B3T	Twin to NBU 195
NBU 921-21E4T	Twin to NBU 127
NBU 921-8A4T	Twin to NBU 202

The above lists of well locations are planned for the 2008-2009 drilling program. This list may vary depending on the program. Please do not hesitate to call me if you have any further questions or need additional information.

Thank you,

A handwritten signature in cursive script that reads 'Raleen White'.

Raleen White
Sr. Regulatory Analyst

Cc: SITLA – Ed Bonner
BLM Vernal Office – Verlyn Pindell

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

June 16, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2008 Plan of Development Natural Buttes Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Natural Buttes Unit, Uintah County, Utah.

API# WELL NAME
(Proposed PZ MesaVerde)

LOCATION

43-047-40136 NBU 921-20IT Sec 20 T09S R21E 1902 FSL 0822 FEL
43-047-40135 NBU 921-15MT Sec 15 T09S R21E 0697 FSL 0406 FWL
43-047-40134 NBU 922-31GT Sec 31 T09S R22E 1664 FNL 1349 FEL
43-047-40133 NBU 922-32CT Sec 32 T09S R22E 0809 FNL 2154 FWL

(Proposed PZ Wasatch/MesaVerde)

43-047-40129 NBU 1022-24B1AS Sec 24 T10S R22E 1052 FNL 1583 FEL
BHL Sec 24 T10S R22E 0150 FNL 1375 FEL

43-047-40130 NBU 1022-24B1DS Sec 24 T10S R22E 1026 FNL 1637 FEL
BHL Sec 24 T10S R22E 0540 FNL 1605 FEL

43-047-40131 NBU 1022-24G1S Sec 24 T10S R22E 1044 FNL 1601 FEL
BHL Sec 24 T10S R22E 1515 FNL 1580 FEL

43-047-40141 NBU 1022-24I1S Sec 24 T10S R22E 2062 FSL 1130 FEL
BHL Sec 24 T10S R22E 2330 FSL 0585 FEL

43-047-40142 NBU 1022-24G3S Sec 24 T10S R22E 2037 FSL 1184 FEL
BHL Sec 24 T10S R22E 2225 FNL 2140 FEL

43-047-40140 NBU 1022-24G2S Sec 24 T10S R22E 2053 FSL 1148 FEL
BHL Sec 24 T10S R22E 1815 FNL 2100 FEL

Our records indicate the 1022-24B1AS, 1022-24B1DS, 1022-24G1S and the 1022-24I1 bottom hole location is closer than 460 feet from the Natural Buttes Unit boundary.

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc: File - Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:6-16-08

From: Jim Davis
To: Bonner, Ed; Mason, Diana; Raleen.White@anadarko.com
Date: 9/4/2008 4:26 PM
Subject: Fwd: Kerr-McGee Wells

The following wells have been approved by SITLA including PALEO and arch clearance.

4304740133	NBU 922-32CT	Kerr-McGee Oil & Gas	Natural Buttes	NENW	32	090S	220E
S	UINTAH						
4304740134	NBU 922-31GT	Kerr-McGee Oil & Gas	Natural Buttes	SWNE	31	090S	220E
S	UINTAH						

-Jim

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156

>>> Kristine Curry 9/4/2008 3:41 PM >>>
The following wells have been cleared for cultural resources:

Kerr-McGee's NBU #922-32CT [API #4304740133] (U-08-MQ-0461b,i,p,s)

Kerr-McGee's NBU #922-31GT [API #4304740134] (U-08-MQ-0461b,i,p,s)

I've updated the BS for both of these.

Kristine



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 11, 2008

Kerr-McGee Oil & Gas Onshore, LP
P O Box 173779
Denver, CO 80217-3779

Re: NBU 922-31GT Well, 1664' FNL, 1349' FEL, SW NE, Sec. 31, T. 9 South, R. 22 East,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40134.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: Kerr-McGee Oil & Gas Onshore, LP
Well Name & Number NBU 922-31GT
API Number: 43-047-40134
Lease: ML-22935-A

Location: SW NE Sec. 31 T. 9 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
7. Surface casing shall be cemented to the surface.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: KERR-McGEE OIL & GAS ONSHORE, L.P.

Well Name: NBU 922-31GT

Api No: 43-047-40134 Lease Type: STATE

Section 31 Township 09S Range 22E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # BUCKET

SPUDDED:

Date 10/30/08

Time 1:00 PM

How DRY

Drilling will Commence: _____

Reported by LEW WELDON

Telephone # (435) 828-7035

Date 11/03/08 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740180	NBU 922-32IT		NESE	32	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	2900	10/31/2008			11/10/08	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVB</i> SPUD WELL LOCATION ON 10/31/2008 AT 0800 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740134	NBU 922-31GT		SWNE	31	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	2900	10/30/2008			11/10/08	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>MVRD = WSMVB</i> SPUD WELL LOCATION ON 10/30/2008 AT 1300 HRS.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

Title

11/3/2008

Date

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DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1664' FNL, 1349' FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 31 9S 22E S

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-22935-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
891008900A

8. WELL NAME and NUMBER:
NBU 922-32GT

9. API NUMBER:
4304740134

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES UNIT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: WELL SPUD
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 10/30/2008 AT 1300 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 11/3/2008

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DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1664' FNL, 1349' FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 31 9S 22E

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-22935-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

NATURAL BUTTES

8. WELL NAME and NUMBER:

NBU 922-31GT

9. API NUMBER:

4304740134

10. FIELD AND POOL, OR WILDCAT:

NATURAL BUTTES FIELD

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: SET SURFACE CSG
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PROPETRO AIR RIG ON 11/18/2008. DRILLED 12 1/4" SURFACE HOLE TO 2410'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/350 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/350 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 25+/- BBL CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 11/19/2008

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DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22935-A
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: NBU 922-31GT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1664'FNL, 1349'FEL		9. API NUMBER: 4304740134
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 31 9S, 22E		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH.

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

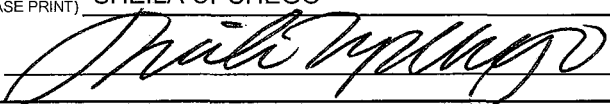
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2410' TO 9340' ON 12/25/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/530 SX PREM LITE II @12.2 PPG 2.25 YIELD. TAILED CMT W/1250 SX 50/50 POZ @14.3 PPG 1.31 YIELD. WASH LINES DROP PLUG & DISPLACE W/144 BBLS WATER W/CLAYSTAY & MAGNACIDE TO BUMP PLUG W/3100 PSI HAD 2400 PSI LIFT. RELEASE PSI AND FLOATS HELD LOST FULL RETURNS WITH 160 BBLS LEAD CMT OUT OF SHOE THE ESTIMATED TOP OF CMT IS 5200'. WASH STACK REMOVE LANDING JT INSTALL PACKOFF AND TEST TO 5000 PSI N/D BOPS CLEAN MUD TANKS.

RELEASED ENSIGN RIG 12 ON 12/27/2008 AT 0500 HRS

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DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 12/29/2008

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22935-A
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: NBU 922-31GT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1664'FNL, 1349'FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 31 9S, 22E		9. API NUMBER: 4304740134
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>PRODUCTION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>START-UP</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR HAS PLACED THE SUBJECT WELL LOCATION ON PRODUCTION ON 01/24/2009 AT 11:10 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 2/5/2009

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FEB 09 2009
DIV. OF OIL, GAS & MINING

ROCKIES

Operation Summary Report

Well: NBU 922-31GT			Spud Conductor: 10/30/2008			Spud Date: 11/12/2008		
Project: UTAH			Site: UINTAH			Rig Name No: PROPETRO/, ENSIGN 12/12		
Event: DRILLING			Start Date: 11/12/2008			End Date: 12/27/2008		
Active Datum: RKB @5,059.00ft (above Mean Sea Level)			UWI: NBU 922-31GT					
Date	Time Start-End	Duration (hr)	Phase	Code	Subco de2	P/U	MD From (ft)	Operation
11/12/2008	17:30 - 0:00	6.50	DRLSUR	02		P		AIR RIG SPUD 11/12/2008 17:30 @ 690'
11/13/2008	0:00 - 12:00	12.00	DRLSUR	02		P		AIR DRILL F/ 690' TO 1200'
	12:00 - 21:30	9.50	DRLSUR	02		P		TFNB DRILL F/ 1200' TO 1380' CIRC W/ SKID PUMP
11/14/2008	21:30 - 0:00	2.50	DRLSUR	07	A	Z		RIG DOWN W/ ELECTRICAL PROBLEMS
	0:00 - 20:30	20.50	DRLSUR	07		Z		TRY REPAIRING RIG, REPLACE SURFACE RIG. CIRC W/ SKID PUMP
11/15/2008	20:30 - 0:00	3.50	DRLSUR	02		P		DRILL F/ 1380' TO 1440' CIRC W. SKID PUMP
	0:00 - 18:00	18.00	DRLPRO	02		P		DRILL F/ 1440'- 1680' CIRC W/ SKID PUMP
11/16/2008	18:00 - 0:00	6.00	DRLPRO	16		Z		TWISTED OFF, RUN IN W/ OVER SHOT AND RECOVER FISH PIPE, CHECKING BHA.
	0:00 - 12:00	12.00	DRLSUR	02		P		DRILL F/ 1680' TO 1800' CIRC W/ SKID PUMP
11/17/2008	12:00 - 0:00	12.00	DRLSUR	02		P		DRILL F/ 1800' TO 1920' CIRC W/ SKID PUMP
	0:00 - 12:00	12.00	DRLPRO	02		P		DRILL F/ 1920' TO 2160' CIRC W/ SKID PUMP
11/18/2008	12:00 - 12:00	0.00	DRLPRO	02		P		DRILL F/ 2160' TO 2310' CIRC W/ SKID PUMP
	0:00 - 8:00	8.00	DRLSUR	02		P		RIG T/D @ 2410' CONDITION HOLE 1 RH RUN SURVEY . 85 DEG
	8:00 - 12:00	4.00	DRLSUR	05		P		TRIP DP OUT OF HOLE
	12:00 - 16:30	4.50	DRLSUR	11		P		RUN 2350' OF 9 5/8 CSG RIG DOWN AIR RIG
	16:30 - 18:00	1.50	DRLSUR	15		P		CEMENT 1ST STAGE WITH 350 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK NO RETURNS THRU OUT JOB 340 PSI LIFT
	18:00 - 18:30	0.50	DRLSUR	15		P		1ST TOP JOB 100 SKS DOWN BS WOC
	18:30 - 20:30	2.00	DRLSUR	15		P		2ND TOP JOB 100 SKS DOWN BS WOC
	20:30 - 23:00	2.50	DRLSUR	15		P		3RD TOP JOB 125 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
12/13/2008	23:00 - 23:00	0.00	DRLSUR					NO VISIBLE LEAKS PIT 50% FULL WORT
	4:00 - 0:00	20.00	RDMO	01	E	P		RIG DOWN ON THE NBU 922-29KT AND PREPARE TO MOVE TO THE NBU 922-31GT.
12/14/2008	0:00 - 7:30	7.50	RDMO	12	D	P		WAIT ON DAYLIGHT, PREPARE RIG FOR THE MOVE.
	7:30 - 17:30	10.00	RDMO	01	A	P		HELD DRIVER AND CREW MEETING. WOKE UP TO 6" OF NEW SNOW. CALLED OUT STUBBS MAINTAINER @ 05:30 AM TO BLADE NEW LOCATION. BLADE ARRIVED AT 10:00. BLADE LOCATION WHILE RIGGING DOWN AND PRE STAGING RIG COMPONENTS. START RIGGING UP. 80% MOVED, 10% RIGGED UP.
12/15/2008	17:30 - 0:00	6.50	RDMO	12	D	P		WAIT ON DAYLIGHT.
	0:00 - 7:00	7.00	MIRU	12	D	P		WAIT ON DAYLIGHT.
	7:00 - 11:00	4.00	MIRU	01	B	P		CONTINUE RIGGING UP. RELEASED TRUCKS AT 11:00 AM.
	11:00 - 0:00	13.00	MIRU	01	B	P		RIG UP ROTARY TOOLS, RAISED DERRICK AT 15:00 HRS. CONTINUE RIGGING UP. 100% MOVED, 90% RIGGED UP.
12/16/2008	0:00 - 15:00	15.00	MIRU	01	B	P		RURT, INSTALL WINTERIZING. NU BOP'S.
	15:00 - 20:30	5.50	PRPSPD	13	C	P		HELD SAFETY MEETING. TEST BLIND RAMS, PIPE RAMS, FLOOR VALVES, CHOKE MANIFOLD AND ALL RELATED VALVES TO 250 AND 5000 PSI. TEST HYDRIL 250 AND 2500 PSI.
	20:30 - 21:00	0.50	PRPSPD	11	C	P		TEST CASING TO 1500 PSI FOR 30 MINUTES. FILL MANIFOLD WITH METHANOL.
	21:00 - 21:30	0.50	PRPSPD	13	B	P		INSTALL WEAR BUSHING.

ROCKIES

Operation Summary Report

Well: NBU 922-31GT		Spud Conductor: 10/30/2008		Spud Date: 11/12/2008	
Project: UTAH		Site: UINTAH			Rig Name No: PROPETRO/, ENSIGN 12/12
Event: DRILLING		Start Date: 11/12/2008		End Date: 12/27/2008	
Active Datum: RKB @5,059.00ft (above Mean Sea Level)			UWI: NBU 922-31GT		

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
12/17/2008	21:30 - 0:00	2.50	PRSPD	05	A	P		HELD SAFETY MEETING, RU WEATHERFORD LD MACH. START PU BHA.
	0:00 - 5:00	5.00	PRSPD	05	A	P		FINISH PU BHA AND DP. RD LD MACHINE, INSTALL ROTATING HEAD INSERT.
	5:00 - 5:30	0.50	PRSPD	07	A	Z		REPAIR FROZEN KELLY SPINNER.
	5:30 - 8:00	2.50	PRSPD	02	F	P		DRILL SHOE TRACK.
	8:00 - 9:00	1.00	DRLPRO	02	B	P		DRILL 2424'-2525' (101') 101'/HR. 16-18K WOB, 110 BIT RPM, 8.3/27
	9:00 - 10:00	1.00	DRLPRO	09	B	P		SURVEY @ 2434' - 0.4 DEG. 281.6 AZ.
	10:00 - 15:30	5.50	DRLPRO	02	B	P		DRILL 2525'-3060' (535') 97.2'/HR. 18/20K WOB, 110 BIT RPM, 8.8/33
	15:30 - 16:00	0.50	DRLPRO	09	B	P		SURVEY @ 2965' - 1.7 DEG. 202.6 AZ.
12/18/2008	16:00 - 22:00	6.00	DRLPRO	02	B	P		DRILL 3060'-3563' (503') 83.3'/HR. 18-20K WOB, 110 BIT RPM, 9.2/38
	22:00 - 23:00	1.00	DRLPRO	09	B	P		SURVEY @ 3468' - 2.1 DEG....183.5 AZ.
	23:00 - 0:00	1.00	DRLPRO	02	B	P		DRILL 3563'-3652' (89')
	0:00 - 3:00	3.00	DRLPRO	02	B	P		DRILL 3652'-3908' (256') 85.3'/HR. 18-20K WOB, 110 BIT RPM, 9.5/44
	3:00 - 3:30	0.50	DRLPRO	06	A	P		SERVICE RIG, CHECK COM
	3:30 - 5:30	2.00	DRLPRO	02	B	P		DRILL 3908'-4098' (190') 95'/HR. 18-20K WOB, 110 BIT RPM, 9.5/45
	5:30 - 6:30	1.00	DRLPRO	09	B	P		SURVEY @ 4002' - 2.0 DEG. . 174.7 AZ.
	6:30 - 8:00	1.50	DRLPRO	02	B	P		DRILL 4098'-4254' (156') 104'/HR. 18-20K WOB, 110 BIT RPM, 9.6/44
12/19/2008	8:00 - 8:30	0.50	DRLPRO	06	A	P		SERVICE RIG, CHECK COM
	8:30 - 12:30	4.00	DRLPRO	02	B	P		DRILL 4254'-4631' (377') 94.2'/HR. 18-20K WOB, 110 BIT RPM, 9.6/44
	12:30 - 13:30	1.00	DRLPRO	09	B	P		STUCK PIPE ON CONNECTION @ 4515' & 4545', JAR LOOSE. REAM TILL CLEAN.
	13:30 - 19:30	6.00	DRLPRO	02	B	P		SURVEY @ 4536' - 1.9 DEG, 164.9 AZ.
	19:30 - 20:30	1.00	DRLPRO	09	B	P		DRILL 4631'-5101' (470') 78.3'/HR. 18-20K WOB, 110 BIT RPM, 9.6/44
	20:30 - 0:00	3.50	DRLPRO	02	B	P		SURVEY @ 5006' - 2.1 DEG., 172.8 AZ.
	0:00 - 2:00	2.00	DRLPRO	02	B	P		DRILL 5101'-5412' (311') 88.8'/HR. 18-20K WOB, 110 BIT RPM, 9.6/44
	2:00 - 2:30	0.50	DRLPRO	09	B	P		DRILL 5412'-5605' 18-22K WOB, 110 BIT RPM, 9.7/45
12/20/2008	2:30 - 3:00	0.50	DRLPRO	06	A	P		SURVEY @ 5510' - 2.2 DEG. 171.8 AZ.
	3:00 - 12:00	9.00	DRLPRO	02	B	P		RIG SERVICE, TRIP COM
	12:00 - 13:00	1.00	DRLPRO	09	B	P		DRILL 5605'-6172' (567') 63'/HR. 18-22K WOB, 110 BIT RPM, 10.0/45
	13:00 - 16:00	3.00	DRLPRO	02	B	P		RAISING LCM FROM 1% TO 5% FOR EXPECTED LOSSES, BYPASS SHAKER.
	16:00 - 16:30	0.50	DRLPRO	06	A	P		SURVEY @ 6077' - 1.5 DEG.....156.3 AZ.
	16:30 - 0:00	7.50	DRLPRO	02		P		DRILL 6172'-6361' (189') 63'/HR. 18-22K WOB, 110 BIT RPM, 10.2/45
	0:00 - 1:00	1.00	DRLPRO	09	B	P		SERVICE RIG, FUNCTION COM
	1:00 - 4:00	3.00	DRLPRO	02	B	P		DRILL 6361'-6612' (251') 33.4'/HR. 20-22K WOB, 110 BIT RPM, 10.3/4
12/20/2008	4:00 - 4:30	0.50	DRLPRO	06	A	P		SURVEY @ 6517' - 1.4 DEG., 163.6 AZ.
	4:30 - 5:30	1.00	DRLPRO	04	C	P		DRILL 6614'-6674' (60') 20'/HR. 20-22K WOB, 110 BIT RPM, 10.4/45
	5:30 - 6:30	1.00	DRLPRO	05	A	P		SERVICE RIG, FUNCTION COM
								CIRCULATE BU, MIX AND PUMP SLUG.

POOH TO TIGHT SPOT AT 5890', WORK PIPE TO 70K OVER STRING FOR 20 MINUTES WITH OUT MAKING ANY HOLE. PU KELLY.

ROCKIES

Operation Summary Report

Well: NBU 922-31GT		Spud Conductor: 10/30/2008		Spud Date: 11/12/2008	
Project: UTAH		Site: UINTAH		Rig Name No: PROPETRO/, ENSIGN 12/12	
Event: DRILLING		Start Date: 11/12/2008		End Date: 12/27/2008	
Active Datum: RKB @5,059.00ft (above Mean Sea Level)			UWI: NBU 922-31GT		

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de2	P/U	MD From (ft)	Operation
12/21/2008	6:30 - 7:30	1.00	DRLPRO	07	A	Z		WORK ON TRANSMISSIONS, RIG NOT WANTING TO PULL, TRANSMISSIONS SLIPPING. CIRCULATE WHILE CHANGING TRANNY OIL IN BOTH.
	7:30 - 12:30	5.00	DRLPRO	05	A	P		WORK THROUGH TIGHT SPOTS AT 5890', 4590 TO 4493' AND 3490 TO 2800'. FINISH OUT OF HOLE. FUNCTION TEST BLIND RAMS. LAY DOWN STABILIZERS.
	12:30 - 18:00	5.50	DRLPRO	05	A	P		PICK UP NEW Q506 PDC, TIH WITH SAME, WASH TIGHT SPOT @ 4515', FIH. WASH 90' TO BOTTOM.
	18:00 - 0:00	6.00	DRLPRO	02	B			DRILL 6674'-6892' (218') 36.3'/HR. 16K WOB, 110 BIT RPM, 10.7/45
	0:00 - 4:00	4.00	DRLPRO	02	B	P		DRILL 6892'-7008' (116') 29'/HR. 16K WOB, 110 BIT RPM, 10.7/4
	4:00 - 4:30	0.50	DRLPRO	06	A	P		SERVICE RIG, FUNCTION COM
	4:30 - 8:00	3.50	DRLPRO	02	B	P		DRILL 7008'-7133' (125') 35.7'/HR. 16K WOB, 110 BIT RPM, 10.7/45...8% LCM
	8:00 - 9:00	1.00	DRLPRO	09	B	P		SURVEY @ 7038' - 1.3 DEG. 156.7 AZ...
	9:00 - 14:30	5.50	DRLPRO	02	B	P		DRILL 7133'-7320' (187') 34'/HR. 16-18K WOB, 110 BIT RPM, 10.7/49
	14:30 - 15:00	0.50	DRLPRO	06	A	P		SERVICE RIG, FUNCTION PIPE RAMS, CHECK COM
12/22/2008	15:00 - 23:00	8.00	DRLPRO	02	B	P		DRILL 7320'-7636' (316') 39.5'/HR. 16-18K WOB, 110 BIT RPM, 10.8/49
	23:00 - 0:00	1.00	DRLPRO	09	B	P		SURVEY @ 7541' - 1.1 DEG.....139.7 AZ.
	0:00 - 4:00	4.00	DRLPRO	02	B	P		DRILL 7636'-7793' (157') 39.2'/HR. 16-18K WOB, 110 BIT RPM 10.9/51
	4:00 - 4:30	0.50	DRLPRO	06	A	P		SERVICE RIG,
	4:30 - 14:00	9.50	DRLPRO	02	B	P		DRILL 7793'-8171' (378') 39.7'/HR. 16-18K WOB, 110 BI RPM, 11.0/52
	14:00 - 15:00	1.00	DRLPRO	09	B	P		SURVEY @ 8076' - 2.7 DEG. ...133.1 AZ.
	15:00 - 15:30	0.50	DRLPRO	06	A	P		SERVICE RIG, FUNCTIN COM
	15:30 - 22:00	6.50	DRLPRO	02	B	P		DRILL 8171'-8329' (158') 24.3'/HR. 18-22K WOB, 110 BIT RPM, 11.1/48
	22:00 - 23:00	1.00	DRLPRO	04	C	P		CIRCULATE BOTTOMS UP, MIX AND PUMP SLUG.
	23:00 - 0:00	1.00	DRLPRO	05	A	P		START POOH FOR BIT #3 DUE TO SLOW P-RATE.
12/23/2008	0:00 - 6:00	6.00	DRLPRO	05	A	P		FINISH OUT OF HOLE.
	6:00 - 8:30	2.50	DRLPRO	05	A	P		MAKE UP NEW Q506X AND TIH BREAKING CIRCULATION AT SELECTED INTERVALS. CHANGE OUT THE PASON DEPTH TRACKER CABLE IN THE CROWN WHILE CIRC. AT THE SHOE.
	8:30 - 9:00	0.50	DRLPRO	06	A	P		SERVICE RIG, FUNCTION HYDRIL.
	9:00 - 13:30	4.50	DRLPRO	05	A	P		FIH, REAM 35' TO BOTTOM, 20' FILL.
	13:30 - 19:00	5.50	DRLPRO	02	B	P		DRILL 8329'-8579' (250') 45.5'/HR. 16-18K WOB, 110 BIT ROM. 10.4/48 ...RAISE MW TO 11.7 DUE TO GAS.
	19:00 - 20:00	1.00	DRLPRO	04	B	P		CIRCULATE OUT GAS AND RAISE MW TO 11.9 PPG, 30' FLARE, 4600 TO 6100 UNITS CONNECTION GAS, 1300 UNITS BGG. LOST FULL RETURNS.
	20:00 - 23:00	3.00	DRLPRO	04	D	X		RAISE LCM TO 18% IN PITS. CIRCULATE WITH SPR 50 SPM AND 72% RETURNS. REGAINED FULL RETURNS WHEN LCM WAS AT 5200'. LOST TOTAL OF 73 BBL MUD. CONTINUE CIRCULATING AND RAISE LCM TO 18% IN THE SYSTEM.

ROCKIES

Operation Summary Report

Well: NBU 922-31GT		Spud Conductor: 10/30/2008		Spud Date: 11/12/2008	
Project: UTAH		Site: UINTAH		Rig Name No: PROPETRO/, ENSIGN 12/12	
Event: DRILLING		Start Date: 11/12/2008		End Date: 12/27/2008	
Active Datum: RKB @5,059.00ft (above Mean Sea Level)		UWI: NBU 922-31GT			

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
12/24/2008	23:00 - 0:00	1.00	DRLPRO	02	B	P		DRILL 8579'-8616' (37') 37'/HR. 14-18K WOB, 100 BIT RPM, 11.9/47
	0:00 - 4:00	4.00	DRLPRO	02	B	P		DRILL 8616'-8736' (120') 30'/HR. 8-18K WOB, 100 BIT RPM, 12.0/47
	4:00 - 4:30	0.50	DRLPRO	04	A	P		CIRCULATE OUT GAS, 30' FLARE, GAINING 17 BBLS ON BOTTOMS UP FROM CONNECTIONS. UNPLUG THE MUD/GAS SEPERATOR, ICE PLUG.
	4:30 - 10:30	6.00	DRLPRO	02	B	P		DRILL 8736'-8924' (188') 31.3'/HR. 12-18K WOB, 100 BIT RPM, 12.0/44
	10:30 - 12:00	1.50	DRLPRO	09	B	P		SURVEY @ 8835' - 2.8 DEG....137.3 AZ.
	12:00 - 17:30	5.50	DRLPRO	02	B	P		DRILL 8924'-9081' (157') 28.5'/HR. 16-18K WOB 100 BIT RPM, 12.1/45.... BU AFTER SURVEY GAINED 31 BBLS MUD, 8100 UNITS WITH 30-35' FLARE.
	17:30 - 18:00	0.50	DRLPRO	06	A	P		SERVICE RIG, FUNCTION PIPE RAMS.
	18:00 - 20:30	2.50	DRLPRO	02	B	P		DRILL 9081'-9172' (91') 36.4'/HR. 18K WOB, 100 BIT RPM, 12.2/45
	20:30 - 21:00	0.50	DRLPRO	06	A	P		SERVICE RIG.
	21:00 - 21:30	0.50	DRLPRO	07	B	Z		REPAIR VALVE AND SEAT IN THE #2 PUMP
12/25/2008	21:30 - 0:00	2.50	DRLPRO	02	B	P		DRILL 9172'-9239' (67') 26.8'/HR. 100 BIT RPM, 12.2/45
	0:00 - 2:30	2.50	DRLPRO	02	B	P		DRILL 9239'-9340' (101') 40.4'/HR. 18K WOB, 100 BIT RPM, 12.3/45
	2:30 - 4:00	1.50	DRLPRO	04	C	P		CIRCULATE BOTTOMS UP.
	4:00 - 6:00	2.00	DRLPRO	05	E	P		SHORT TRIP 25 STANDS.
	6:00 - 6:30	0.50	DRLPRO	04	C	P		CIRCULATE BOTTOMS UP.
	6:30 - 7:30	1.00	DRLPRO	07	B	Z		REPAIR #2 PUMP, #1 PUMP DOWN.
	7:30 - 10:00	2.50	DRLPRO	04	C	P		CIRCULATE BOTTOMS UP. HELD SAFETY MEETING, RU LAY DOWN MACHINE.
	10:00 - 18:30	8.50	DRLPRO	05	A	P		POOH LAYING DOWN DRILL STRING, BREAK KELLY, LD BHA.
	18:30 - 19:00	0.50	DRLPRO	13	B	P		PULL WEAR BUSHING.
	19:00 - 0:00	5.00	EVALPR	08	A	P		HELD SAFETY MEETING, RU AND RIH WITH HALLIBURTON QUAD COMBO AND LOG FROM 9322' TO CASING SHOE. RUN GR TO SURFACE.
12/26/2008	0:00 - 1:30	1.50	EVALPR	08	A	P		FINISH RUNNING QUAD COMBO. RD
	1:30 - 3:00	1.50	CSG	11	A	P		HELD SAFETY MEETING, RU TESCO CASING CREW.
	3:00 - 12:00	9.00	CSG	11	B	P		RUN CSG. AS FOLLOWS: FLOAT SHOE, 1 JT. CSG. FLOAT COLLAR, 112 JTS. CSG. 1 MARKER JTS. SET AT 4570', 108 JTS. 4 1/2" 11.6 PPF I-80 CSG. OVER ALL LENGTH 9308.77' SET AT 9308.77'. CENTRALIZED WITH 15 BOW SPRINGS, 1 ON FIRST 3 JTS. THEN EVERY 3RD JT. SPACE OUT, INSTALL HANGER JOINT AND PLUG RETAINER. UNABLE TO GET BELOW 9328', LAY DOWN TAG JOINT AND 20' PUP JT. LAND W/ END OF CSG.. @ 9308'.
	12:00 - 13:30	1.50	CSG	04	E	P		RU PLUG RETAINER, CIRCULATE CASING WHILE RIGGING DOWN CASING CREW.
	13:30 - 18:00	4.50	CSG	12	E	Z		UNABLE TO GET THE DECK MOTOR ON THE CEMENT PUMP TRUCK STARTED. CALLED OUT A MECHANIC AND MADE READY ANOTHER TRUCK TO POSSIBLY REPLACE THIS ONE. CIRCULATE AT REDUCED RATE WHILE WAITING ON HALLIBURTON. RU SAME. REPAIRED THE TRUCK.

ROCKIES

Operation Summary Report

Well: NBU 922-31GT

Spud Conductor: 10/30/2008

Spud Date: 11/12/2008

Project: UTAH

Site: UINTAH

Rig Name No: PROPETRO/, ENSIGN 12/12

Event: DRILLING

Start Date: 11/12/2008

End Date: 12/27/2008

Active Datum: RKB @5,059.00ft (above Mean Sea Level)

UWI: NBU 922-31GT

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
	18:00 - 21:00	3.00	CSG	15	A	P		HELD SAFETY MEETING: SWITCH TO HOWCO, TEST LINES TO 5000 PSI AND CEMENT 4 1/2" AS FOLLOWS: 5 BBLS WATER, 20 BBLS MUD FLUSH @ 8.4 PPG, 5 WATER, 20 SKS PL2 SCAVENGER MIXED @ 9.5 PPG, LEAD W/ 530 SKS PL2 MIXED @ 12.2 PPG, TAIL W/ 1250 SKS 50:50 POZ MIXED @ 14.3 PPG, WASH LINES, DROP PLUG & DISPLACE W/ 144 BBLS WATER W/ CLAYSTAY & MAGNACIDE TO BUMP PLUG WITH 3100 PSI. HAD 2400 PSI LIFT. RELEASE PSI AND FLOATS HELD. WE LOST FULL RETURNS WITH 160 BBLS LEAD CEMENT OUT OF SHOE. THE ESTIMATED TOP OF CEMENT IS 5200'.
	21:00 - 22:30	1.50	CSG	13	A	P		WASH STACK, RIG DOWN HALLIBURTON, REMOVE LANDING JOINT, INSTALL PACKOFF AND TEST TO 5000 PSI.
	22:30 - 0:00	1.50	CSG	13	A			ND BOP'S, CLEAN MUD TANKS.
12/27/2008	0:00 - 5:00	5.00	RDMO	13	A	P		CLEAN MUD TANKS, RELEASE RIG AT 05:00 AM 12/27/08

ROCKIES

Operation Summary Report

Well: NBU 922-31GT			Spud Conductor: 10/30/2008			Spud Date: 11/12/2008			
Project: UTAH			Site: UINTAH				Rig Name No: KEY 243/243		
Event: COMPLETION			Start Date: 1/15/2009				End Date: 1/21/2009		
Active Datum: RKB @5,059.00ft (above Mean Sea Level)				UWI: NBU 922-31GT					
Date	Time Start-End	Duration (hr)	Phase	Code	Subco de2	P/U	MD From (ft)	Operation	
1/16/2009	7:00 - 7:15	0.25	COMP	48		P		HSM, P/U TBG	
	7:15 - 18:00	10.75	COMP	31	I	P		P/U 2-7/8 MILL W/ X-OVER, TALLEY & P/U	
1/19/2009	7:00 - 7:15	0.25	COMP	48		P		HSM, FRCATURING	
	7:15 - 11:00	3.75	COMP	37	B	P		STG #1] OPEN WELL 0# SICP, P/U RIH W/ 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90* PH, 9092'-9098' 24 HOLES, 9030'-9034' 16 HOLES [40 HOLES]	
								P/T SURFACE LINES TO 8500#.	
								WHP=900#, BRK DN PERFS @ 3293#, LOST PACKING ON 2 PUMPS.	
	11:00 - 16:00	5.00	COMP	46	E	Z		WAITING ON PUMP PACKING.	
	16:00 - 19:30	3.50	COMP	36	E	P		STG #1] WHP=900#, BRK DN PERFS @ 3293#, INNJT PSI=5200#, INJT RT=52, ISIP=2900#, FG=.76, PUMP'D 3709 BBLS SLK WTR W/ 121232# 30/50 W/ 5153# RESIN COAT IN TAIL, ISIP=3013#, FG=.78, AR=48.7, AP=4609#, MR=52.5, MP=6746#, NPI=113#, 38/40 CALC PERFS OPEN.	
								STG #2] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 8979', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90* PH, 8945'-8949' 16 HOLES, 8906'-8910' 16 HOLES, 8832'-8834' 8 HOLES [40 HOLES] SWIFN.	
1/20/2009	7:00 - 7:15	0.25	COMP	48		P		HSM,	
	7:15 - 11:00	3.75	COMP	46	E	Z		FROZE LINES & VALVES ON WEATHERFORD FRAC EQUIP.	

ROCKIES

Operation Summary Report

Well: NBU 922-31GT		Spud Conductor: 10/30/2008		Spud Date: 11/12/2008	
Project: UTAH		Site: UINTAH			Rig Name No: KEY 243/243
Event: COMPLETION		Start Date: 1/15/2009		End Date: 1/21/2009	
Active Datum: RKB @5,059.00ft (above Mean Sea Level)			UWI: NBU 922-31GT		

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de2	P/U	MD From (ft)	Operation
	11:00 - 18:00	7.00	COMP	36	E	P		<p>FRAC STG #2] MESAVERDE 8832'-8949' [40 HOLES] WHP=2100#, BRK DN PERFS @ 3568#, INJT PSI=4600#, INJT RT=48, ISIP=2500#, FG=.72, PUMP'D 37777 BBLs SLK WTR W/ 132347# 30/50 MESH W/ 5000# RESIN COAT IN TAIL. ISIP=3057#, FG=.79, AR=50, AP=4232#, MR=55.8, MP=6365#, NPI=557#, 36/40 CALC PERFS OPEN</p> <p>STG #3] P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 8754', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90° PH, 8720'-8724' 16 HOLES, 8658'-8664' 24 HOLES, [40 HOLES]</p> <p>WHP=1530#, BRK DN PERFS @ 2714#, INJT PSI=4130#, INJT RT=50.7, ISIP=2293#, FG=.71, PUMP'D 2193.5 BBLs SLK WTR W/ 77996# 30/50 MESH W/ 5280# RESIN COAT IN TAIL. ISIP=2917#, FG=.78, AR=50.8, AP=4254#, MR=53, MP=5032#, NPI=624#, 40/40 CALC PERFS OPEN.</p> <p>STG #4] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 8509', PERF MESAVERDE USING 3-3/8 EXPEND, 23GRM, 0.36" HOLE, 3 SPF, 120° PH, 8471'-8479' 24 HOLES, 8404'-8408' 12 HOLES, 8310'-8312' 6 HOLES [42 HOLES]</p> <p>WHP=1570#, BRK DN PERFS @ 2552#, INJT PSI=3750#, INJT RT=49, ISIP=2066#, FG=.69, PUMP'D 3839 BBLs SLK WTR W/ 130142# 30/50 MESH W/ 5113# RESIN COAT IN TAIL. ISIP=2480#, FG=.74, AR=44.1, AP=3036#, MR=49.9, MP=5131#, NPI=, 42/42 CALC PERFS OPEN. [RAN OUT OF SAND 23000# SHY] SWIFN.</p>
1/23/2009	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 2200#, TP 2150#, 20/64" CK, 90 BWPH, - SAND, - GAS TTL BBLs RECOVERED: 3760 BBLs LEFT TO RECOVER: 14162</p>
1/24/2009	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 2800#, TP 2500#, 20/64" CK, 60 BWPH, - SAND, - GAS TTL BBLs RECOVERED: 5595 BBLs LEFT TO RECOVER: 12327</p>
	11:10 -		PROD					<p>WELL TURNED TO SALES @ 1110 HR ON 1/24/2009 - FTP 2200#, CP 2900#, CK 18/64", 2300 MCFD, 840 BWPD</p>
1/25/2009	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 3550#, TP 2650#, 18/64" CK, 25 BWPH, TRACE SAND, - GAS TTL BBLs RECOVERED: 6420 BBLs LEFT TO RECOVER: 11502</p>
1/26/2009	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 3500#, TP 2650#, 18/64" CK, 25 BWPH, - SAND, - GAS TTL BBLs RECOVERED: 7020 BBLs LEFT TO RECOVER: 10902</p>

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-22935-A

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____

b. TYPE OF WORK: NEW WELL ☒ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER _____

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:
1368 S 1200 E CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1664'FNL, 1349'FEL

AT TOP PRODUCING INTERVAL REPORTED BELOW:

AT TOTAL DEPTH:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME
UNIT #891008900A

8. WELL NAME and NUMBER:
NBU 922-31GT

9. API NUMBER:
4304740134

10 FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

11. QTR/QTR, SECTION, TOWNSHIP, RANGE,
MERIDIAN:
SWNE 31 9S, 22E

12. COUNTY
UINTAH

13. STATE
UTAH

14. DATE SPURRED:
10/30/2008

15. DATE T.D. REACHED:
12/25/2008

16. DATE COMPLETED:
1/24/2009

ABANDONED ☐ READY TO PRODUCE ☒

17. ELEVATIONS (DF, RKB, RT, GL):
5045'GL

18. TOTAL DEPTH: MD ~~9,340~~
TVD 9340

19. PLUG BACK T.D.: MD ~~9,623~~
TVD 9263 - per operator

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD
PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

CBL-CCL-GR

SD, DSN, ACTR, BCS

23.
WAS WELL CORED? NO ☒ YES ☐ (Submit analysis)
WAS DST RUN? NO ☒ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☒ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 J-55	36#		2,410		675			
7 7/8"	4 1/2 I-80	11.6#		9,340		1780			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,792							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) MESAVERDE	5,250	9,098			5,250 9,098	0.36	287	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) WSMVD								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5250'-9098'	PMP 17,922 BBLS SLICK H2O & 634,318# 30/50 OTTOWA SD

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: _____

30. WELL STATUS:

PROD

RECEIVED

MAR 04 2009

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 1/24/2009	TEST DATE: 1/26/2009	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 2,990	WATER – BBL: 600	PROD. METHOD: FLOWING
CHOKE SIZE: 18/64	TBG. PRESS. 2,550	CSG. PRESS. 3,400	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	1,689				
BIRDS NEST	1,345				
MAHOGANY	2,176				
WASATCH	4,609	6,890			
MESAVERDE	7,229	9,208			

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 2/25/2009

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22935-A			
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES			
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 922-31GT			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1664 FNL 1349 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 31 Township: 09.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047401340000			
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
COUNTY: UINTAH		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/2/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input checked="" type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: _____ </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input checked="" type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: _____
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. THE OPERATOR REQUESTS AUTHORIZATION TO TEMPORARILY ABANDON THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO TEMPORARILY ABANDON THE WELL TO DRILL THE NBU 922-31G PAD, WHICH CONSISTS OF THE NBU 922-31G2AS, NBU 922-31B2DS, NBU 922-31A3CS, AND NBU 922-31H2BS. PLEASE REFER TO THE ATTACHED TEMPORARILY ABANDON PROCEDURE.					
Approved by the Utah Division of Oil, Gas and Mining Date: <u>July 01, 2010</u> By: <u><i>Dan K. [Signature]</i></u>					
NAME (PLEASE PRINT) Andy Lytle		PHONE NUMBER 720 929-6100			
SIGNATURE N/A		TITLE Regulatory Analyst			
		DATE 6/30/2010			

NBU 922-31GT
 1664' FNL & 1349' FEL
 SWNE SEC.31, T9S, R22E
 Uintah County, UT

KBE: 5059'
 GLE: 5045'
 TD: 9340'
 PBDT: 9263'

API NUMBER: 4304740134
 LEASE NUMBER: ML-22935-A
 WINS#: 15614
 WI: 100.0000%
 NRI: 83.494445%

CASING: 20" hole
 14" STL 36.7# csg @ 40' GL
 Cemented to surface w/ 28 sx

12 1/4" hole
 9 5/8" 36# J-55 @ 2410' (KB)
 Cemented with 675 sx. TOC @ surface

7.875" hole
 4 1/2" 11.6# I-80 @ 9340'
 Cemented w/ 1780 sx, TOC @ 560' per CBL

TUBING: 2 3/8" 4.7# J-55 tubing landed at 8791'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbgr.	1.901	8100	7700	0.1624	0.02173	0.00387
4.5" 11.6# I-80	3.875	6350	7780	0.6528	0.0872	0.01554
9.625" 32.3# H-40	8.845	1400	2270	3.3055	0.4418	0.0787
14" 36.7# Stl						
Annular Capacities						
2.375" tbgr. X 4 1/2" 11.6# csg				0.4227	0.0565	0.01006
4.5" csg X 9 5/8" 32.3# csg				2.478	0.3314	0.059
4.5" csg X 7.875 borehole				1.7052	0.2278	0.0406
9.625" csg X 12 1/4" borehole				2.3436	0.3132	0.0558
9.625" csg X 14" csg				3.4852	0.4659	0.083
14" csg X 20" borehole						

GEOLOGIC INFORMATION:

Formation	Depth to top, ft.
Uinta	Surface
Wasatch	4609'
Mesaverde	7229'

Tech. Pub. #92 Base of USDW's

USDW Elevation	1800' MSL
USDW Depth	3259' KBE

PERFORATIONS:

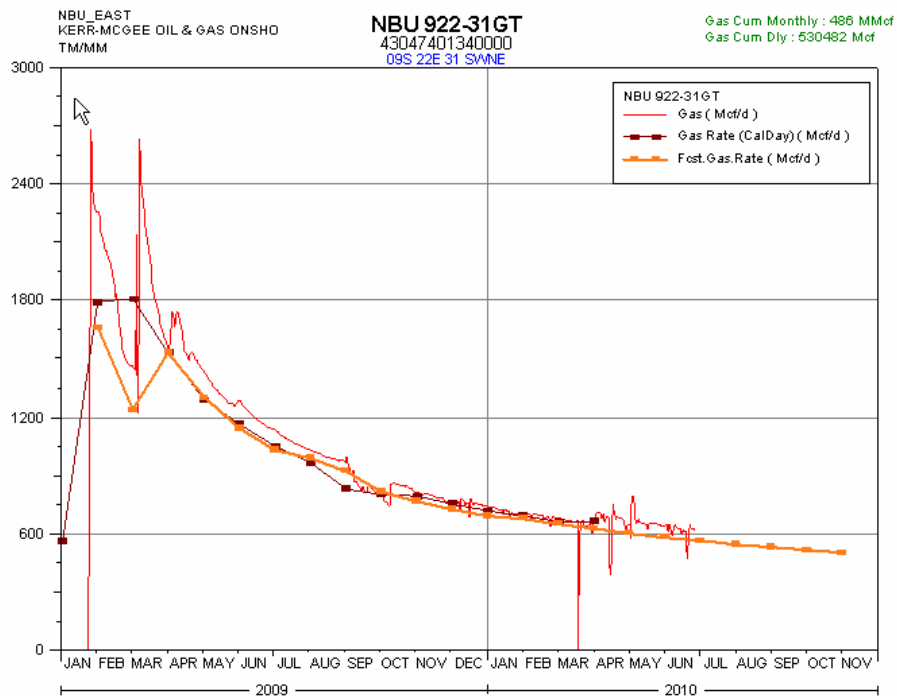
Formation	Date	Top	Btm	SPF	Status
Mesaverde	Jan-09	7250	7252	3	Open
Mesaverde	Jan-09	7311	7314	3	Open
Mesaverde	Jan-09	7360	7364	3	Open
Mesaverde	Jan-09	7444	7448	4	Open
Mesaverde	Jan-09	7532	7535	3	Open
Mesaverde	Jan-09	7614	7618	3	Open
Mesaverde	Jan-09	7683	7690	3	Open
Mesaverde	Jan-09	7848	7852	4	Open
Mesaverde	Jan-09	7950	7956	4	Open
Mesaverde	Jan-09	8310	8312	3	Open
Mesaverde	Jan-09	8404	8408	3	Open
Mesaverde	Jan-09	8471	8479	3	Open
Mesaverde	Jan-09	8658	8664	4	Open
Mesaverde	Jan-09	8720	8724	4	Open
Mesaverde	Jan-09	8832	8834	4	Open
Mesaverde	Jan-09	8906	8910	4	Open
Mesaverde	Jan-09	8945	8949	4	Open
Mesaverde	Jan-09	9030	9034	4	Open
Mesaverde	Jan-09	9092	9098	4	Open

WELL HISTORY:

- Spud Well 10/30/08, TD'd 12/25/08
- Jan '09 – Completed MV zones with 7 slickwater frac stages using 634,318# 30/50 sand & 17,922 bbls fluid. C/O to PBTD and turn to sales.
- 1/24/09 – 1st Sales, FTP 2200#, CP 2900#, CK 18/64", 2300 MCFD, 840 BWPD

Recommended future action for disposition of well bore:

Temporarily abandon the wellbore during the drilling and completion operations of the NBU 922-31G pad wells. Return to production as soon as possible once completions are done.



NBU 922-31GT TEMPORARY ABANDONMENT PROCEDURE

GENERAL

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000' OF DEPTH.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDES. PREMIX 5 GALLONS PER 100 BBLs FLUID.
- NOTIFY UDOGM 24 HOURS BEFORE MOVING ON LOCATION.

PROCEDURE

Note: An estimated 23 sx Class "G" cement needed for procedure

Note: Gyro ran to 6700'

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL. A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE.
3. **PLUG #1, ISOLATE MV PERFORATIONS (7250' - 9098')**: RIH W/ 4 ½" CBP. SET @ ~7200'. RELEASE CBP, PUH 10', BRK CIRC W/ FRESH WATER. PRESSURE TEST CASING TO 500 PSI. INFORM ENGINEERING IF IT DOESN'T TEST. DISPLACE A MINIMUM OF 4.36 CUFT. (~4 CUFT) ON TOP OF PLUG. PUH ABOVE TOC (~7150'). REVERSE CIRCULATE W/ TREATED FRESH WATER.
4. **PLUG #2, PROTECT WASATCH TOP (4609')**: PUH TO ~4710'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF 17.44 CUFT (~15 SX) AND BALANCE PLUG W/ TOC @ ~4500' (210' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
5. LOWER WELLHEAD TO GROUND LEVEL TO ACCOMMODATE DRILLING OPS AND INSTALL MARKER PER BLM GUIDELINES.
6. RDMO. TURN OVER TO DRILLING OPERATIONS.

ALM 6/28/10

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22935-A
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 922-31GT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1664 FNL 1349 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 31 Township: 09.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047401340000
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input checked="" type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/9/2010			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 THE OPERATOR HAS PERFORMED THE TEMPORARILY ABANDON OPERATIONS ON THE SUBJECT WELL LOCATION ON 09/09/2010. THE OPERATOR HAS TEMPORARILY ABANDONED THE WELL TO DRILL THE NBU 922-31G PAD, WHICH CONSISTS OF THE NBU 922-31G2AS, NBU 922-31B2DS, NBU 922-31A3CS, AND NBU 922-31H2BS. PLEASE REFER TO THE ATTACHED TEMPORARILY ABANDON CHORONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 9/13/2010	

US ROCKIES REGION
Operation Summary Report

Well: NBU 922-31GT			Spud Conductor: 10/30/2008				Spud Date: 11/12/2008				
Project: UTAH-UINTAH			Site: NBU 922-31GT					Rig Name No: MILES 2/2			
Event: ABANDONMENT			Start Date: 8/15/2010					End Date: 9/9/2010			
Active Datum: RKB @5,059.00ft (above Mean Sea Leve			UWI: NBU 922-31GT								
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation			
8/15/2010	7:00 - 7:30	0.50	ABAND	48		P		MIRU			
	7:30 -		ABAND	45		P		MIRU, 1000# CSG, TBG,BLOW DWN WELL, PUMP 40 BBLS DWN TBG, 20 BBLS DWN CSG, ND WH, NU BOP'S, TEST 3000#, UNLAND TBG, RU PRS, SCAN TBG OOH.STD BACK 74 STDS, LD 129 JTS, RD PRS, SWIFN			
9/9/2010	7:00 - 7:30	0.50	ABAND	48		P		RU CUTTERS			
	7:30 - 7:30	0.00	ABAND	51		P		CSG 1000#, BLOW DWN WELL, PUMP 30 BBLS TMAC DWN CSG, RU CUTTERS, PU GAUGE RING, RIH TO 7220', POOH, PU CBP, RIH TO 7210' SET PLUG, BAIL 4 SX CEMENT ON CBP, POOH RD CUTTERS, TIH TBG TO 4698.62', ALL CEMENT IS CLASS G, YIELD 1.145, DENISTY 15.8#, 4.9 GW/SX. RU PRO PETRO BREAK CIRC WITH TMAC, PRESSURE TEST CSG TO 500#, PUMP 3 BBLS FRESH WTR, 25 SX, 5.1 BBLS, 28.75 CF, CEMENT, DISPLACE WITH 3 BBL FRESH, 14.8 BBLS TMAC, RD PRO PETRO, POOH, LAY DWN TBG, CALL FMC TO PULL & CAP WELLCAP WELL, RDMO N 40 DEGREES 00' 08.2" W 109 DEGREES 29' 40.0" ELEV 5414'			

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22935-A
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
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PHONE NUMBER: 720 929-6515 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 2/16/2011			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The subject well has returned to production from a temporarily abandoned status on Wednesday, February 16, 2011. The well history chronological report for the RTP is attached.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY**

NAME (PLEASE PRINT) Gina Becker	PHONE NUMBER 720 929-6086	TITLE Regulatory Analyst II
SIGNATURE N/A	DATE 2/28/2011	

US ROCKIES REGION
Operation Summary Report

Well: NBU 922-31GT		Spud Conductor: 10/30/2008		Spud Date: 11/12/2008	
Project: UTAH-UINTAH		Site: NBU 922-31GT			Rig Name No:
Event: WELL WORK EXPENSE		Start Date: 1/26/2011		End Date: 2/1/2011	
Active Datum: RKB @5,059.00ft (above Mean Sea Level)			UWI: NBU 922-31GT		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
2/16/2001	16:00 -			50				WELL RETURNED TO PRODUCTION AFTER TA STATUS, 1268 MCFD, CP 1815#, FTP 1638#
1/31/2011	7:00 - 7:30	0.50	ABAND	48		P		DRILLING CEMENT
	7:30 - 7:30	0.00	ABAND	44		P		MIRU, NDWH, NU BOP'S, TIH TBG TO 4480" 142 JTS, TAG CEMENT PLUG., RU PWR SWIVEL, EOT 141 JTS, 4470', SWIFN NOTE WAITED ON TBG UNTIL 1:30 PM TRK GOT LOST
2/1/2011	7:00 - 7:30	0.50	ABAND	48		P		DRILLING CEMENT
	7:30 - 19:30	12.00	ABAND	44		P		BREAK CIRC, DRILL 225' CEMENT PLUG, TIH 7198' DRILL CBP, RU WEATHERFORD FOAM UNIT, CLEAN OUT 110' SAND TO 9137', BREAK CIRC, POOH TO 8776', LAND TBG, ND BOP'S, NU WH, DROP BALL, POBS 1700#, TURN TO PROD. JTS ON LOC 318 JTS 10,050.55' JTS RAN 277 JTS 8,759.29' RTN TO B&C 41 JTS 1,291.26' HIT SOLID- COULD BE PRIOR POBS TOP PERF 7250' BTM PERF 9098' PBTD 9623' C/O TO 9137' HANGER .83' KB 14.00' XNSN 1.875" 2.20' TBG 277JTS 8759.29' EOT 8776.32'